

# EXHIBIT G



Corporate Trust Services  
One Federal Street, 3<sup>rd</sup> Floor  
Boston, MA 02110

**THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. PLEASE EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.**

**NOTICE TO HOLDERS**

**EXUM RIDGE 2007-1 LIMITED, EXUM RIDGE CDO 2007-2 LIMITED and PEBBLE CREEK LCDO 2007-3 LIMITED (collectively the “Transactions”);**

**AND TO THE PARTIES LISTED ON EXHIBIT B ATTACHED HERETO.**

(CUSIP numbers for Transactions listed on Exhibit A attached hereto and made a part hereof.)

**Notice of Scheduling of Mediation Proceedings**

(Notice Date: October 29, 2012)

---

Reference is made to the respective Indentures governing the Transactions referenced above (collectively the “*Indentures*” and each is an “*Indenture*”) under which U.S. Bank National Association serves as indenture trustee (the “*Trustee*”). Any capitalized terms used herein and not otherwise expressly defined shall have the respective meanings assigned to such terms in the Indenture.

On July 20, 2012, Lehman Brothers Special Financing Inc. (“*LBSF*”), and Lehman Brothers Holdings Inc. (“*LBHI*” and together with *LBSF*, the “*Debtors*”), initiated a mediation proceeding under the SPV ADR Order, issued by the Bankruptcy Court in the *Debtors*’ proceedings seeking relief under Chapter 11 of 11 U.S.C. §101 et seq. pending in the United States Bankruptcy Court for the Southern District of New York (consolidated for administrative purposes under Case No. 08-13555) with respect to the Transactions. A prior Notice was sent to all holders on August 7, 2012 advising Securityholders of the initiation of the mediation proceedings and certain issues in connection with the mediations. Each of the mediations was assigned to the Honorable Ralph Mabey, a former bankruptcy court judge. The mediation will be held in New York, New York at a location to be determined. The mediation schedule has now been set for three of the transactions that were the subject of the prior notice as follows:

Pebble Creek 2007-3 - December 7, 2012;  
Exum Ridge 2007-1 - December 13, 2012; and  
Exum Ridge 2007-2 - December 14, 2012.

The Trustee intends to submit a mediation memorandum to the mediator generally relating to these cash synthetic hybrid transactions on or prior to Wednesday November 28, 2012. These submissions will likely be followed-up with supplemental memoranda that detail any differences with respect to particular Transactions on December 4, 2012. Under the current schedule, the identity of those persons attending the mediation is required to be disclosed by December 3, 2012 in the case of Pebble Creek 2007-3 and December 10, 2012 in the case of the other two transactions.

The Trustee would like input from Securityholders in each of the Transactions in connection with the Trustee's participation in the mediation and the submission of any mediation materials. The Trustee would likewise welcome participation of affected Securityholders at or during the mediation. Advance disclosure to the mediator of any persons seeking to attend the mediation will be necessary by or before the applicable dates indicated in the immediately preceding paragraph.

To obtain further information, provide direction and instruction to the Trustee, or participate in connection with one or more of the mediations, please contact the Trustee at your earliest possible convenience at the following address:

**U.S. Bank National Association, as Trustee**  
**Corporate Trust Services**  
**Attn: CDO Services**  
**One Federal Street, 3rd Floor**  
**Boston, Massachusetts 02110;**  
**Attn: Donald Higgins (email:[donald.higgins@usbank.com](mailto:donald.higgins@usbank.com))**

Receipt of this notice should not be construed as evidence or acknowledgment of any requirement applicable to, or of any right or authority on the part of any recipient under the Indenture to direct, the matters addressed herein, or of any obligations on the part of the Trustee with respect thereto, and the Trustee expressly reserves all rights in determining appropriate actions and requirements concerning these matters.

Prior to any distribution to Securityholders, funds held under the Indenture may be used first for payment of the fees and costs incurred or to be incurred by the Trustee in performing its duties, as well as for any indemnities owing or to become owing to the Trustee. These include, but are not limited to, compensation for time spent, and the fees and costs of counsel and other agents employed, to pursue remedies, defend claims, or take other actions to protect the interests of the Securityholders and the Issuer, respectively. The Trustee is not required to expend or risk its own funds in connection with any matter under the Indentures unless adequate reassurance of payment and/or indemnity is provided to it.

The Trustee reserves all rights under the relevant Indenture. Please be aware that the Trustee may conclude that a specific response to particular inquiries from individual Securityholders is not consistent with equal and full dissemination of information to all Securityholders. Securityholders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations, gives no investment, legal or tax advice. Each Securityholder should seek advice from an independent advisor based on such Securityholder's particular circumstances.

U.S. Bank National Association,  
as Trustee

**Exhibit A**

(CUSIPs)

CUSIPs

**EXUM RIDGE CBO 2007-1, LTD**

<u>Security</u>	<u>CUSIP</u>
<b>Class A Notes</b>	
Class A Rule 144A Certificated Note	30232XAA2
Class A Regulation S Certificated Note	G32869AA0
<b>Class B Notes</b>	
Class B Rule 144A Global Note	30232XAC8
Class B Regulation S Global Note	G32869AB8
Class B Certificated Note	30232XAD6
<b>Class C Notes</b>	
Class C Rule 144A Global Note	30232XAE4
Class C Regulation S Global Note	G32869AC6
Class C Certificated Notes	30232XAF1
<b>Class D Notes</b>	
Class D Rule 144A Global Note	30232XAG9
Class D Regulation S Global Note	G32869AD4
Class D Certificated Note	30232XAH7
<b>Preference Shares</b>	
Certificated U.S. Preference Shares	30232S204
Regulation S Global Preference Share	G32867106

The above CUSIP numbers are included solely for the convenience of the Noteholders. The Trustee is not responsible for the selection or use of the CUSIP numbers, or for the accuracy or correctness of CUSIP numbers printed on the Notes or as indicated in this notice.

CUSIPs

**EXUM RIDGE CBO 2007-2, LTD**

<b>Security</b>	<b>CUSIP</b>
<b>Class A Notes</b>	
Class A Rule 144A Certificated Note	30228AAA8
Class A Certificated Note	30228AAD2
Class A Regulation S Global Note	G3286VAA1
<b>Class B Notes</b>	
Class B Rule 144A Global Note	30228AAB6
Class B Certificated Note	30228AAE0
Class B Regulation S Global Note	G3286VAB9
<b>Class C Certificated Notes</b>	
Class C Rule 144A Global Note	30228AAC4
Class C Certificated Notes	30228AAG5
Class C Regulation S Global Note	G3286VAC7
<b>Class D Certificated Notes</b>	
Class D Rule 144A Global Note	30228BAA6
Class D Certificated Note	30228BAB4
Class D Regulation S Global Note	G3286WAA9
<b>Preference Shares</b>	
Certificated U.S. Preference Shares	30228B306
Regulation S Global Preference Share	G3286W200

The above CUSIP numbers are included solely for the convenience of the Noteholders. The Trustee is not responsible for the selection or use of the CUSIP numbers, or for the accuracy or correctness of CUSIP numbers printed on the Notes or as indicated in this notice.

**CUSIPs**

**PEBBLE CREEK LCDO 2007-3**

<b>Security</b>	<b>CUSIP</b>	<b>ISIN</b>
<b>Class A Notes</b>		
Class A Rule 144A Certificated Note	70509DAA8	US70509DAA81
Certificated Class A Note	70509DAF7	US70509DAF78
Class A Regulation S Global Note	G6966BAA5	USG6966BAA55
<b>Class B Notes</b>		
Class B Rule 144A Certificated Note	70509DAB6	US70509DAB64
Certificated Class B Note	70509DAG5	US70509DAG51
Class B Regulation S Certificated Note	G6966BAB3	USG6966BAB39
<b>Class C Notes</b>		
Class C Rule 144A Global Note	70509DAC4	US70509DAC48
Certificated Class C Note	70509DAH3	US70509DAH35
Class C Regulation S Global Note	G6966BAC1	USG6966BAC12
<b>Class D Notes</b>		
Class D Rule 144A Global Note	70509DAD2	US70509DAD21
Certificated Class D Note	70509DAJ9	US70509DAJ90
Class D Regulation S Global Note	G6966BAD9	USG6966BAD94
<b>Class E Notes</b>		
Class E Rule 144A Global Note	70509DAE0	US70509DAE04
Certificated Class E Note	70509DAK6	US70509DAK63
Class E Regulation S Global Note	G6966BAE7	USG6966BAE77
<b>Preference Shares</b>		
Certificated U.S. Preference Shares	70509C300	US70509C3007
Regulation S Global Preference Shares	G6966A109	KYG6966A1094

The above CUSIP numbers are included solely for the convenience of the Noteholders. The Trustee is not responsible for the selection or use of the CUSIP numbers, or for the accuracy or correctness of CUSIP numbers printed on the Notes or as indicated in this notice.